

**Fill in this information to identify the case:**

Debtor Name Absolut Facilities Management, LLC  
 United States Bankruptcy Court for the: Eastern District of New York  
 (State)  
 Case number: 19-76260 (AST)

## Official Form 426

## Periodic Report Regarding Value, Operations, and Profitability of Entities in Which the Debtor's Estate Holds a Substantial or Controlling Interest

12/17

This is the *Periodic Report* as of 10/11/2019 on the value, operations, and profitability of those entities in which a Debtor holds, or two or more Debtors collectively hold, a substantial or controlling interest (a "Controlled Non-Debtor Entity"), as required by Bankruptcy Rule 2015.3. For purposes of this form, "Debtor" shall include the estate of such Debtor.

[Name of Debtor] holds a substantial or controlling interest in the following entities:

Name of Controlled Non-Debtor Entity	Interest of the Debtor	Tab #
Absolut Center for Nursing and Rehabilitation at Eden, LLC ("Eden")	54%	
Absolut Center for Nursing and Rehabilitation at Endicott, LLC ("Endicott")	54%	
Absolut Center for Nursing and Rehabilitation at Dunkirk, LLC ("Dunkirk")	54%	
Absolut Center for Nursing and Rehabilitation at Houghton, LLC ("Houghton")	54%	
Absolut Center for Nursing and Rehabilitation at Salamanca, LLC ("Salamanca")	54%	

This *Periodic Report* contains separate reports (*Entity Reports*) on the value, operations, and profitability of each Controlled Non-Debtor Entity.

Each *Entity Report* consists of five exhibits.

*Exhibit A* contains the most recently available: balance sheet, statement of income (*loss*), statement of cash flows, and a statement of changes in shareholders' or partners' equity (*deficit*) for the period covered by the *Entity Report*, along with summarized footnotes.

*Exhibit B* describes the Controlled Non-Debtor Entity's business operations.

*Exhibit C* describes claims between the Controlled Non-Debtor Entity and any other Controlled Non-Debtor Entity.

*Exhibit D* describes how federal, state or local taxes, and any tax attributes, refunds, or other benefits, have been allocated between or among the Controlled Non-Debtor Entity and any Debtor or any other Controlled Non-Debtor Entity and includes a copy of each tax sharing or tax allocation agreement to which the Controlled Non-Debtor Entity is a party with any other Controlled Non-Debtor Entity.

*Exhibit E* describes any payment, by the Controlled Non-Debtor Entity, of any claims, administrative expenses or professional fees that have been or could be asserted against any Debtor, or the incurrence of any obligation to make such payments, together with the reason for the entity's payment thereof or incurrence of any obligation with respect thereto.

**This *Periodic Report* must be signed by a representative of the trustee or debtor in possession.**

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The undersigned, having reviewed the *Entity Reports* for each Controlled Non-Debtor Entity, and being familiar with the Debtor's financial affairs, verifies under the penalty of perjury that to the best of his or her knowledge, (i) this *Periodic Report* and the attached *Entity Reports* are complete, accurate, and truthful to the best of his or her knowledge, and (ii) the Debtor did not cause the creation of any entity with actual deliberate intent to evade the requirements of Bankruptcy Rule 2015.3

**For non-individual Debtors:**

**X** /S/ Michael Wyse

Signature of Authorized Individual

Michael Wyse

Printed name of Authorized Individual

Date 10/11/2019  
MM / DD / YYYY

**For individual Debtors:**

**X**

Signature of Debtor 1

Printed name of Debtor 1

Date \_\_\_\_\_  
MM / DD / YYYY

**X**

Signature of Debtor 2

Printed name of Debtor 2

Date \_\_\_\_\_  
MM / DD / YYYY

Debtor Name Absolut Facilities Management, LLCCase number 19-76260 (AST)**Exhibit A: Financial Statements for** Eden, Endicott, Dunkirk, Houghton, and Salamanca

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The Debtor is not in possession of this information. In 2018, control of Endicott was transferred to Upstate Services Group ("USG") and control of the other Controlled Non-Debtor Entities was transferred to Personal Healthcare LLC ("Personal Healthcare"), pursuant to the terms of operator transfer agreements ("OTAs"). Under the terms of the OTAs, the Debtor maintained ownership of the Controlled Non-Debtor Entities, however, Personal Healthcare obtained control over the Controlled Non-Debtor Entities' business and financial affairs, and the Debtor no longer controls the Controlled Non-Debtor Entities nor has access to their facilities or financial information. The Debtor has requested this information from USG and Personal Healthcare. To the extent the Debtor is able to obtain additional information, the Debtor will supplement this report.

Debtor Name Absolut Facilities Management, LLCCase number 19-76260 (AST)**Exhibit A-1: Balance Sheet for Eden, Endicott, Dunkirk, Houghton, and Salamanca as of October 11, 2019**

[Provide a balance sheet dated as of the end of the most recent 3-month period of the current fiscal year and as of the end of the preceding fiscal year.

Describe the source of this information.]

The Debtor is not in possession of this information. As noted above, in 2018, control of Endicott was transferred to USG and control of the other Controlled Non-Debtor Entities was transferred to Personal Healthcare, pursuant to the terms of certain OTAs. Under the terms of the OTAs, the Debtor maintained ownership of the Controlled Non-Debtor Entities, however, Personal Healthcare obtained control over the Controlled Non-Debtor Entities' business and financial affairs, and the Debtor no longer controls the Controlled Non-Debtor Entities nor has access to their facilities or financial information. The Debtor has requested this information from USG and Personal Healthcare. To the extent the Debtor is able to obtain additional information, the Debtor will supplement this report.

Debtor Name Absolut Facilities Management, LLCCase number 19-76260 (AST)**Exhibit A-2: Statement of Income (Loss) for** Eden, Endicott, Dunkirk, Houghton, and Salamanca for period ending  
October 11, 2019

[Provide a statement of income (loss) for the following periods:

(i) For the initial report:

- a. the period between the end of the preceding fiscal year and the end of the most recent 3-month period of the current fiscal year; and
- b. the prior fiscal year.

(ii) For subsequent reports, since the closing date of the last report.

Describe the source of this information.]

The Debtor is not in possession of this information. As noted above, in 2018, control of Endicott was transferred to USG and control of the other Controlled Non-Debtor Entities was transferred to Personal Healthcare, pursuant to the terms of certain OTAs. Under the terms of the OTAs, the Debtor maintained ownership of the Controlled Non-Debtor Entities, however, Personal Healthcare obtained control over the Controlled Non-Debtor Entities' business and financial affairs, and the Debtor no longer controls the Controlled Non-Debtor Entities nor has access to their facilities or financial information. The Debtor has requested this information from USG and Personal Healthcare. To the extent the Debtor is able to obtain additional information, the Debtor will supplement this report.

Debtor Name Absolut Facilities Management, LLCCase number 19-76260 (AST)

**Exhibit A-3: Statement of Cash Flows for** Eden, Endicott, Dunkirk, Houghton, Salamanca for period ending  
October 11, 2019

[Provide a statement of changes in cash position for the following periods:

(i) For the initial report:

- a. the period between the end of the preceding fiscal year and the end of the most recent 3-month period of the current fiscal year; and
- b. the prior fiscal year.

(ii) For subsequent reports, since the closing date of the last report.

Describe the source of this information.]

The Debtor is not in possession of this information. As noted above, in 2018, control of Endicott was transferred to USG and control of the other Controlled Non-Debtor Entities was transferred to Personal Healthcare, pursuant to the terms of certain OTAs. Under the terms of the OTAs, the Debtor maintained ownership of the Controlled Non-Debtor Entities, however, Personal Healthcare obtained control over the Controlled Non-Debtor Entities' business and financial affairs, and the Debtor no longer controls the Controlled Non-Debtor Entities nor has access to their facilities or financial information. The Debtor has requested this information from USG and Personal Healthcare. To the extent the Debtor is able to obtain additional information, the Debtor will supplement this report.

Debtor Name Absolut Facilities Management, LLCCase number 19-76260 (AST)**Exhibit A-4: Statement of Changes in Shareholders'/Partners' Equity (*Deficit*) for**

Eden, Endicott, Dunkirk, Houghton, and Salamanca, for period ending October 11, 2019

[Provide a statement of changes in shareholders'/partners equity (*deficit*) for the following periods:

(i) For the initial report:

- a. the period between the end of the preceding fiscal year and the end of the most recent 3-month period of the current fiscal year; and
- b. the prior fiscal year.

(ii) For subsequent reports, since the closing date of the last report.

Describe the source of this information.]

The Debtor is not in possession of this information. As noted above, in 2018, control of Endicott was transferred to USG and control of the other Controlled Non-Debtor Entities was transferred to Personal Healthcare, pursuant to the terms of certain OTAs. Under the terms of the OTAs, the Debtor maintained ownership of the Controlled Non-Debtor Entities, however, Personal Healthcare obtained control over the Controlled Non-Debtor Entities' business and financial affairs, and the Debtor no longer controls the Controlled Non-Debtor Entities nor has access to their facilities or financial information. The Debtor has requested this information from USG and Personal Healthcare. To the extent the Debtor is able to obtain additional information, the Debtor will supplement this report.

Debtor Name Absolut Facilities Management, LLCCase number 19-76260 (AST)**Exhibit B: Description of Operations for Eden, Endicott, Dunkirk, Houghton, and Salamanca**

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[Describe the nature and extent of the Debtor's interest in the Controlled Non-Debtor Entity.

Describe the business conducted and intended to be conducted by the Controlled Non-Debtor Entity, focusing on the entity's dominant business segments.

Describe the source of this information.]

The Debtor no longer controls the Controlled Non-Debtor Entities nor has access to their facilities or financial information. However, the Debtor technically owns 54% of the equity interests in the Controlled Non-Debtor Entities' interests. That having been said, the OTAs effectively provide for the assumption of the profits and losses of the Controlled Non-Debtor Entities' interests, such that the Debtor has effectively no economic interest in the Controlled Non-Debtor Entities. The Controlled Non-Debtor Entities are engaged in the business of operating senior care facilities.



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**Exhibit C: Description of Intercompany Claims**

[List and describe the Controlled Non-Debtor Entity's claims against any other Controlled Non-Debtor Entity, together with the basis for such claims and whether each claim is contingent, unliquidated or disputed.

Describe the source of this information.]

The Debtor is investigating the existence and amount of any intercompany claims between the Debtor and the Controlled Non-Debtor Entities. To the extent any such claims exist, the Debtor will supplement this report.

Debtor Name Absolut Facilities Management, LLCCase number 19-76260 (AST)**Exhibit D: Allocation of Tax Liabilities and Assets**

[Describe how income, losses, tax payments, tax refunds, or other tax attributes relating to federal, state, or local taxes have been allocated between or among the Controlled Non-Debtor Entity and one or more other Controlled Non-Debtor Entities.

Include a copy of each tax sharing or tax allocation agreement to which the entity is a party with any other Controlled Non-Debtor Entity.

Describe the source of this information.]

To the best of the Debtor's knowledge, the Controlled Non-Debtor Entities no longer have any losses, tax payments, tax refunds or other tax attributes that are shared with the Debtor. To the extent the Debtor determines otherwise, it will supplement this report.

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**Exhibit E: Description of Controlled Non-Debtor Entity's payments of Administrative Expenses, or Professional Fees otherwise payable by a Debtor**

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[Describe any payment made, or obligations incurred (or claims purchased), by the Controlled Non-Debtor Entity in connection with any claims, administrative expenses, or professional fees that have been or could be asserted against any Debtor.

Describe the source of this information.]

Not applicable, to the best of the Debtor's knowledge. To the extent the Debtor determines otherwise, the Debtor will supplement this report.